REMARKS

In the Official Action mailed on **July 22, 2004** the Examiner reviewed claims 1-54. Claims 1, 19, and 37 were rejected under 35 U.S.C. §102(b) as being clearly anticipated by Bruce Schneier (*Applied Cryptography 2nd Edition*, Oct. 1995, John Wiley & Sons Pub. pages 43-57, hereinafter "Schneier"). Claims 2-18, 20-36, and 38-54 were objected to as being dependent upon a rejected base claim.

Rejections under 35 U.S.C. §102(b)

Independent claims1, 19, and 37 were rejected as being clearly anticipated by Schneier.

Applicant has amended independent claims 1, 19, and 37 to include allowable limitations from dependent claims 12, 30, and 48, respectively. Dependent claims 12, 30, and 48 are canceled without prejudice.

Hence, Applicant respectfully submits that independent claims 1, 19, and 37 as presently amended are in condition for allowance. Applicant also submits that claims 2-11 and 13-18, which depend upon claim 1, claims 21-29 and 31-36, which depend upon claim 19, and claims 38-47 and 49-54, which depend upon claim 37, are for the same reasons in condition for allowance and for reasons of the unique combinations recited in such claims.

CONCLUSION

It is submitted that the present application is presently in form for allowance. Such action is respectfully requested.

Respectfully submitted,

By

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